

Publicity Bureau,

CA2
AL
e

UNIVERSITY OF ALBERTA
FEB 21 1974
GOVERNMENT
PUBLICATIONS

PROGRESS

in ALBERTA

1935 — 1943

A Record of Achievement

*This Booklet
Contains Information That
Is Important To You*

BARD
GOV
DOC
CA2
AL
GP
35P63



EX LIBRIS UNIVERSITATIS ALBERTENSIS

basis of democracy and in these days when our democratic ideals are being assailed it is important that the people and their governments bear this in mind.

As the sovereign authority in Provincial affairs, the people of Alberta are entitled to receive from their Government a report on the progress which has been made under its stewardship. For this reason the information in this booklet is being made available to the citizens of Alberta. Any citizen of the Province wishing to receive a copy, may obtain one on request from the Bureau of Publicity, Legislation Building, Edmonton.

Your Obedient Servant,

ERNEST C. MANNING,
Premier.

UNIVERSITY LIBRARY
UNIVERSITY OF ALBERTA

Dear Fellow Citizen:

As a citizen of Alberta, you, together with your fellow citizens, are the constitutional sovereign authority. Your government and your representatives have been elected by you to carry out the will of the people. That is the basis of democracy and in these days when our democratic ideals are being assailed it is important that the people and their governments bear this in mind.

As the sovereign authority in Provincial affairs, the people of Alberta are entitled to receive from their Government a report on the progress which has been made under its stewardship. For this reason the information in this booklet is being made available to the citizens of Alberta. Any citizen of the Province wishing to receive a copy, may obtain one on request from the Bureau of Publicity, Legislation Building, Edmonton.

Your Obedient Servant,

ERNEST C. MANNING,

Premier.

The Provincial Debt

Debt enslaves governments as well as individuals. Until 1935, Alberta was sinking into debt at the rate of more than \$5,000,000 per year. This had to stop.

In March 1936, the Social Credit Government put the province on a PAY-AS-YOU-GO plan. It involved drastic measures. It took courage, but it was done.

HERE IS THE RECORD OF THE NET FUNDED AND UNFUNDED DEBT OF ALBERTA:

Going Up

1905 to 1921	\$ 95,000,000
Average yearly increase	6,300,000

* * *

Going Up

1921 to 1936	\$158,081,350
Average yearly increase	4,305,000

* * *

Coming Down

1936 to 1943	\$140,794,191
Average yearly decrease	2,469,650
Total Debt Reduction by The Social Credit Government	\$ 17,287,159

Alberta is pulling out of Debt.

3

2105978

ALBERTA SAVINGS CERTIFICATES

In 1935, Alberta Government Savings Certificates outstanding were \$9,414,000. They had to be paid, but the Treasury was empty. Faced with this emergency, the former government suspended payments of Certificates in 1935. Redemption was resumed only after the Social Credit Government had reorganized the finances of the Province.

Since 1936, an orderly redemption of Savings Certificates has been carried out at an average rate of nearly three-fourths of a million per year.

Certificates outstanding, August 31, 1935.....	\$9,414,468
Certificates outstanding, March 31, 1944.....	3,550,812

Total Redemption by Social Credit Government	\$5,863,656
--	-------------

* * *

DEBT CHARGES

The curse of debt lies in the burden of interest. Total interest paid by the province from 1908 to 1936 was nearly \$98,000,000. The debt kept soaring.

These Intolerable Debt Charges on Debenture Debt Have Been Reduced By Government Action

Average Interest Rate (1935)	4.89%
Average Interest Rate (Since 1935)	2.44%
Interest Paid (1935-36)	\$7,473,153
Interest Paid (1942-43)	\$4,117,063

The government is making every effort to bring about a fair and equitable refunding of the entire Provincial debt. When these efforts are completed Alberta's debt problem will be well on the way to a permanent solution.

Agriculture Leads in Alberta

The farm is the backbone of the Provincial economy. If the farmer is progressive and prosperous so is the Province. Here are the policies adopted by the Social Credit Government of Alberta to assist the farmers. Each policy is designed to increase production, improve quality and give stability to this great industry.

NEW

Live Stock Policies

	1905-87	1937-43
Pure Bred Bulls Distributed.....	232	1,479
Pure Bred Boars Distributed	Nil	1,438
*Pure Bred Sows Distributed	Nil	5,086
*Pure Bred Sheep Distributed	Nil	228
(Since 1940)		
*—Dominion Provincial policy.		

* * *

Live Stock Feeder Association Guarantee Act

NEW

This act provides credit to Associations to purchase cattle and sheep for fattening. Starting in 1938, this policy also makes possible better use of surplus feed.

In 1943, the record was as follows:

Number of Associations	17
Number of cattle purchased	15,000
Number of sheep purchased	35,000

* * *

Horned Cattle Purchasing Act

NEW

In 1938 legislation was enacted whereby the penalties upon shippers of horned cattle were made payable to the Department of Agriculture. Formerly collected by the packing industry, the moneys accruing for this

service are now returned to the producer through improved services and live stock policies.

* * *

Health of Animals Service

NEW

The present administration established a provincial veterinary laboratory in 1940. The purpose of the laboratory is to aid the live stock industry by diagnosing diseases and preventing losses. This service is made possible by the revenue from The Horned Cattle Purchasing Act.

In the past three years 3,498 specimens were examined without cost to the farmers.

* * *

Extension Service

NEW

This service provides important information to the farmers and to enable expansion of the service of district agriculturalists. Agriculture publications and literature has been made available without cost to all farm homes in this province. Radio talks, field days and short courses on various phases of agriculture now provide a complete coverage to the entire Province.

* * *

District Agriculturalists

IMPROVED

The policy of providing farmers of Alberta with expert direction and advice through this service of District Agriculturalists has been greatly expanded.

District Agriculturalists in 1935	9
District Agriculturalists in 1944	30

* * *

District Home Economists

NEW

The Social Credit administration has appointed Home Economists to assist farm women and to improve the

living conditions in the farm homes of the Province. Four permanent and three temporary home economists have been appointed to carry out this important work.

* * *

IMPROVED Dairy Industry

The Social Credit Government has improved services to the dairy industry. These include:

Encouragement of approved production and marketing methods.

Improvement of herd management.

Improvement of feeding and breeding methods.

Closer inspection of plants.

Enforcement of cream grade standards.

* * *

IMPROVED Poultry Industry

Poultry has been given a more important place in the agriculture programme of the Province.

- (a) A modern Demonstration and Breeding Plant is maintained by the Department. From this plant wing-banded cockerel chicks, R.O.P. cockerels are supplied to poultrymen for flock improvement.
- (b) Hatchery Approval: In 1942, 150,000 breeding birds were selected, banded and blood tested. 4,000,000 chicks were sold under government supervision. 1,500 turkeys were selected, banded and blood tested under the Alberta Record of Merit Policy.
- (c) Licensing and Bonding of Dealers in Poultry and Poultry Products are under government supervision. Egg Grading Regulations and Dressed Poultry Regulations.
- (d) Poultry Meetings, Field Days and Demonstrations are held throughout the Province.

- (e) Junior Poultry and Turkey Clubs are encouraged.

The estimated value of poultry production:

1936	\$ 7,000,000
1948	17,000,000

* * *

Crop Improvement Policies

IMPROVED

So that Alberta farmers might obtain the full benefits of agricultural research, the most up-to-date information has been provided.

Such policies include:

- (a) The encouragement of the wider use of forage crops for the purpose of increasing the income, stabilizing live stock production and effecting soil conservation.

Forage Crops

Year	Acres
1935	368,400
1936	444,000
1937	439,500
1938	451,200
1939	495,500
1940	507,400
1941	645,000
1942	683,000
1948	883,800

- (b) Extending of minor and specialized crops to areas suitable for their production, such as field peas, vegetable seed and canning crops.
- (c) The appointment of co-ordinating committees to direct research institutions, private organizations and government services in the most effective methods of improving crop production in the Province.

IMPROVED

Apiculture

An inspection service is extended for the control of bee diseases, and information provided on all matters concerning the industry. Instructions are given through demonstrations, meetings and the distribution of bulletins to increase this industry.

	1935	1943
Number of Beekeepers	1,000	8,000

* * *

Farm Labour

As a result of the Dominion Provincial Farm Labour Service introduced in 1942, assistance has been given in transferring farm help to areas where it is required at any time when it is most needed.

In the fall of 1942 and again in 1943, harvesters from Eastern Canada were distributed under this programme, and from our towns and cities, from the schools, from the armed forces, from prisoner-of-war camps and from other sources, labour has been obtained and distributed to farm districts.

This has been done in so far as it is possible under existing regulations. The problem has been acute, but the work of the Farm Labour Services has helped in many ways.

* * *

Numerous Government Agricultural Policies Encouraged:

Dairying, production of cheese, butter, evaporated milk, co-operatives—grain, seed and potato growers.

Feeder associations, and live stock marketing associations.

Junior—Poultry, turkey, grain, live stock, beef, dairy, swine, home economics and garden clubs.

The control of weeds, pests and animal diseases.

Progressive Labour Legislation

Alberta protects the rights of the working man through labour legislation that is admittedly the most advanced in Canada.

Steps have been taken to provide for:

FAIR WAGES

REASONABLE HOURS OF WORK

PAYMENT OF WAGES EARNED

COLLECTIVE BARGAINING

SETTLING DISPUTES

SAFE WORKING CONDITIONS

SAFEGUARDING HEALTH

for ALL, including WOMEN WORKERS.

::: LABOUR :::

Prior to 1935

In 1935 the Legislation in Alberta for protection of workers was administered by a Bureau of Labour and consisted of:

The Factories Act; The Boilers Act—These are continued today.

The Female Wage Act (1925)—Orders only applicable to towns of over 600 population.

The Employment Offices Act—Later taken over by the Dominion.

The Industrial Standards Act—No agreements made up to 1935.

Progress Since 1935

In 1936 the Bureau of Labour was replaced by the Board of Industrial Relations and modern, progressive labour legislation enacted:

The Female Wage Act (1925)—The old schedules have been revised and extended to apply throughout the Province.

The Industrial Standards Act—Twenty-six Industrial Wage Schedules are now in effect throughout the Province governing working conditions for over 5,500 employees in 944 establishments.

* * *

NEW LEGISLATION

The Male Minimum Wage Act (1936)—First general wage order in Canada. Basic wages set for all except farm and domestic labour.

The Hours of Work Act (1936)—Schedule of hours set and weekly day of rest provided.

The Tradesmen's Qualification Act (1936)—Protects qualified skilled tradesmen and the public from inferior competition and workmanship and assures safety measures to protect workers from injury while working and to protect public safety while using services or products of skilled labour.

The Industrial Conciliation and Arbitration Act (1938)—Grants to Labour full collective bargaining rights, protects workers against discrimination and provides for conciliation and arbitration of disputes.

The Industrial Wages Security Act (1938)—Provides guarantee for payment of wages of workers in coal mines.

The Trade Schools Regulation Act (1941)—Protects students from inferior instruction by setting high standards required of trade schools whether practical or by correspondence. Alberta's legislation has been copied in other provinces.

The Labour Welfare Act (1943)—Safe and sanitary working conditions, prompt payment of wages required by law.

Regular government inspection of industry and working conditions is carried on throughout the Province:

Number of Inspections (1936 to 1943)...	63,161
Wages collected (1936 to 1943)	\$234,853
Number of employees who benefited	12,216
Wage Increases (effected through inspections) (1939 to 1943)	\$598,500
Number of Employees who benefited	4,222

Marketing Legislation

The Alberta Marketing Act was passed in 1939.

Part I: Provides for marketing control by producers of natural products by means of plans prepared and controlled by the producers themselves.

Alberta Poultry Producers' Marketing Board, constituted in 1940, now operates for the poultry producers of the Province:

Large cold storage and processing plants located at Edmonton and Calgary;

Large egg powder plant, Edmonton, processing 1,200 cases of eggs daily;

66 egg and poultry stations throughout the Province;

Hatcheries at Lethbridge and Edmonton, producing 1,000,000 chicks each year.

This organization now handles the poultry products of approximately 40,000 poultry producers throughout the Province, returning to them the full value of their product after the payment of marketing expenses.

Since inception they have paid to producers \$129,088.00 in cash and \$154,483.00 in Participation Certificates (representing ownership in Plants) over market prices.

* * *

Provincial Marketing Board

Part II: The Social Credit Government, in 1939, put into effect marketing legislation whereby assistance might be given to small industries by pooling purchases of materials and shipping of products. Provision was

also made enabling unorganized consumers to have access to supplies virtually on a co-operative basis. Through this means, the following have been accomplished:

1. Many Alberta farmers have saved from 15 to 85 per cent in the purchase of replacement parts for tractors and farm machinery.
2. Many farmers have obtained weed control solutions, hardware and labour saving devices, such as stook sweeps, through the Marketing Board's facilities, virtually at cost.
3. Alberta enterprise has been encouraged through the manufacture of many hitherto imported articles, including tractor carburetors, manifold units, tank heaters, feed cookers, oat hullers, electric fences, stook sweeps, etc.
4. Alberta's industries have been encouraged and their development assisted:
 - (a) By the purchase and shipment of raw materials in bulk through the Board;
 - (b) By extensive campaigns under Board auspices among consumers urging the use of Alberta-made goods.
 - (c) By Board assistance in production of war supplies including blankets, flour, etc., for the Dominion and other Allied Governments.

NOTE: Alberta is already organized, through the Marketing Board, to effect in the post-war era an immediate wide expansion in Alberta's industries whereby many service men and war workers may be assimilated in peace-time employment. Alberta's facilities for the establishment of new industries are already organized through the operations of the Marketing Board whose services and assistance will be of incalculable help to those who seek to develop individual enterprises.

Co-operatives in Alberta

The Co-operative Associations Act

The Co-operative Associations Act passed in 1913 was incomplete and had become obsolete to meet the co-operative requirements. In 1937, this Act was repealed and replaced by the present enactment, the most modern in Canada.

It is for Consumer Co-operatives.

Co-Operative Marketing Associations Act:

This Act was passed in 1924, amended in 1928, 1929, 1930 and 1937.

It is for Producer Co-operatives.

The Building Associations Act:

This Act was passed in 1940. It is an Act framed to enable houses to be built by co-operative effort, for use of members, or by private enterprise for sale to home owners.

Co-operatives in Operation

	1935	1943
Stores	18	85
Farm Supplies	11	32
Dairy and Poultry Produce	6	16
Live Stock Marketing and Feeders	15	71
Seed Grain	1	6
Building Associations	0	3
Total	58	237

Credit Unions

This Act was passed in March, 1938.

Progress since 1938, up to April 30th, 1944:

Chartered	151
Number of Members	12,365
Loans Outstanding	\$ 414,471.49
Cash and Investments	\$ 233,734.22
Sundry Assets	\$ 2,228.47
Total Assets	\$ 650,434.18
Loans Since Inception	\$1,785,469.86

These Co-operative financial associations have received government encouragement and supervision.

Alberta now holds the plaque for the year 1943. This is held by the State or Province in the U.S.A. and Canada showing the greatest increase of Credit Unions pro rata of population during any year. Alberta also had the greatest number apart from any population consideration.

Public Health Services

Alberta under its Social Credit administration leads Canada and is outstanding on the North American continent in the field of public health.

Free hospital, medical and clinical services for **tubercular** patients.

Tuberculosis	
NEW	
Tuberculosis Clinics	12
Travelling T.B. Clinics	1
Outpatients Examined (1942)	9,277
Patients treated in Sanatoriums (1942)	794

Cancer	
NEW	
Free hospitalization for diagnostic purposes, X-ray, radium and surgical treatment for all cancer patients.	
Patients examined (1942)	2,055
Patients treated (1942)	429

Poliomyelitis	
NEW	
Free hospital and medical care for all poliomyelitis (infantile paralysis) patients.	

Poliomyelitis	
NEW	
Free vocational training for disabled polio patients.	
Patients treated (1942)	39
Returned to work (1942)	22
Death rate (1942)	Nil

Free Maternity Hospitalization	
NEW	
Since April 1st, 1944, free public ward hospital care for all maternity cases has been in effect. The rates paid to the hospitals and nursing homes were set by a	

committee appointed by the Alberta Hospital Association. The amount was based on the equipment and service given by the hospital.

IMPROVED Nursing Services

Free district nursing services.

District Nurses (1935)	15
District Nurses (1943)	34
Public Health Nurses	5
Patients Treated (1942)	27,819

IMPROVED Travelling Clinic

Free travelling Clinic Services supplement the work of District Nurses.

Clinics held (1936)	15
Clinics held (1942)	22
Patients examined (1942)	3,598
Patients treated (1942)	2,593

IMPROVED Social Diseases

Free treatment of social diseases. Extensive educational and preventive work.

* * *

HEALTH UNITS

Prevention is better than cure.

Health Units established in the Province:

1935	2
1944	9

IMPROVED

Through sanitation, examination of school children, baby clinics, etc., the Health Units *prevent* ill health within the unit. Due to war conditions, doctors and nurses cannot be secured in order to establish more Health Units. Plans are ready to extend this service to cover the whole Province after the war.

MOTHERS' ALLOWANCES

1935	1944
Grants \$507,000 50% charged to Municipalities.	Grants \$650,000 25% charged to Municipalities. Deserted mothers included in provision.

OLD AGE PENSIONS

Alberta has led the way towards economic security for those who have devoted the best years of their lives to the development of our country.

Maximum Pension to March, 1942

\$20.00	Provincial contribution	15%
	Municipalities	10%
	Federal	75%

Maximum Pension after March, 1942

\$25.00	The entire \$5.00 increase was paid by the Provincial Government.
----------------	---

Maximum Pension after August, 1943

\$30.00	\$25.00 paid jointly by Federal, Provincial and Municipal Governments and an additional \$5.00 paid entirely by the Provincial Government.
----------------	--

Pensions paid by Alberta, 1936-43 inclusive, less reimbursements by provinces, Dominion, Municipalities, recoveries and refunds, \$3,044,839.

Old Age Pensions Paid

1936	1943
\$328,080	\$467,411

CHILD WELFARE

Alberta has no reform schools. Delinquent children are placed in carefully chosen foster homes. Alberta's record in the field of child welfare is unequalled on the North American Continent.

Number of Wards at present	1,508
Legal Adoptions (1942)	566
Number placed in foster homes (1942)	560
Number delinquent children	44
Number of incorrigibles (1942)	9

* * *

THE CHILD WELFARE ACT, 1944

Under this Act the Government has set up a body to encourage the formation of child welfare organization in the Province. This commission deals with such things as, the preparation of case histories of government wards, supervision of immigrant children and the inspection of homes, shelters or institutions where such children are placed.

* * *

THE DEPARTMENT OF PUBLIC WELFARE

(A New Department)

Established 1944

Why Established:

To co-ordinate all public welfare services.

To deal with post-war problems relating to public welfare.

To safeguard the welfare of returned men and women of our fighting forces.

To promote the welfare of the youth of our Province through the encouragement of worthwhile enterprise and recreation.

The Alberta School System

Under the Social Credit administration. Alberta's modern school system has become widely recognized as a model for the North American Continent.

First Large School Divisions formed in 1937

The larger units, permit greater economy and efficiency of administration, while preserving local autonomy in education.

School Divisions

1935	3,750 small school districts
1944	50 large school divisions

Progress

Better Supervision

1935	28 Inspectors.
1944	48 Superintendents.

Division Economy

Supplies bought in large quantities at lower cost.
Text books provided to pupils at wholesale cost or free.

Teaching Standards Raised

1935 Teachers were not recognized as a profession.

Average salary to rural teacher, 1933-1938 \$ 722.00

1943-1944 (approx.) \$1,075.00

Normal School pre-requisite Grade XI, future uncertain, no retirement arrangements.

1944 Teachers recognized with full professional standing.

Minimum salary of \$840.00 was increased to \$900.00 a year (most divisions pay higher than this). Normal School pre-requisite Grade XII. New progres-

sive methods of student guidance, and retirement fund in operation for all teachers.

Democratic Education

A revised school programme, introduced in 1936 broadens the scope of education. The activity programme became an integral part of our educational system in 1936.

A Better Environment

Many new schools have been built in the divisions replacing out-of-date structures. Modern, sanitary, bright classrooms safeguard the health of our children.

392 new schools built (1937 to 1943).

Cost of new schools\$1,141,395.45

Cost of additions, alterations and improvement of school buildings.....\$ 732,467.72

Total expenditures on schools\$1,873,863.17

Teachers' Salary Arrears

Arrears (Dec. 1936)\$304,614

Arrears (Oct. 1942 in Divisions) 71,841

Arrears (June 1944) Nil

ALL ARREARS HAVE NOW BEEN PAID

* * *

Provincial Government Grants for Education

Total school grants paid in fiscal year

1934-35\$1,391,020.00

Total school grants paid in fiscal year

1943-44 2,301,940.00

Total school grants voted for fiscal

year 1944-45 2,717,700.00

Municipal Districts

Old Municipal Administration....140 Districts

Up to 1941 small municipal districts were administered with many disadvantages:

Overhead cost too large for amount of taxes collected.

Road policy inefficient and haphazard.

Municipal accounting obsolete.

Books only balanced once a year.

New Municipal Administration.. 60 Districts

Under the Social Credit Government and The Municipal District Act provisions was made to organize large units. These have resulted in better administration, greater service and economy, and more effective local government.

Overhead greatly reduced.

Enables more efficient roadwork at less cost.

Modern accounting system.

Books can be balanced monthly.

The purpose of the new system is:

- (a) To systematically decentralize government services.
- (b) To place local government on the tried and proven county system.
- (c) To enable the people to obtain increased services under closer local supervision by the electors.

* * *

Cancellation of Debts

Since 1935, a total of \$42 million have been cancelled by the Provincial Government.

Taxes	\$ 5,000,000
Direct Relief	28,000,000
Seed and Feed Relief	9,000,000
Total	\$42,000,000

Alberta Government Fire and Life Insurance

By entering the field of Fire and Life Insurance in competition with private companies, the Social Credit Government has brought about a substantial reduction in insurance premiums. This is a splendid example of State Enterprise as opposed to State Monopoly, because:

1. The Government does not expropriate existing companies.
2. The Government leaves people freedom of choice as to where they shall place their business.
3. The Government gives them equal protection at minimum cost.
4. All money invested in Alberta.

* * *

The following table shows the reduction in rates as effected by the Government Insurance Office on general stores in small towns:

Year	Building Rate	Contents	Total
1935	\$2.50	\$2.50	\$5.00
1939	\$2.00	\$2.25	\$4.25
1944	\$1.40	\$1.75	\$3.15

Savings to the People

1. Approximate savings in premiums to people who insured directly with the Alberta Government Insurance Office is \$214,778.98.

2. Indirect savings to those who insured elsewhere since the Alberta Government Insurance Office opened is \$1,916,673.60, making a total savings to the

people of the Province (because of reduction in rates), is \$2,131,452.58.

Total Savings on Insurance of Government Buildings for the Past 9 Years, \$376,130.68

* * *

INSURANCE RECORD

The Insurance Office of the Alberta Government is on a sound up-to-date actuarial basis. Rates are based on the insurance experience in the local field and reserves are carefully maintained.

Here is the record of growth of Alberta's Fire Insurance Office over a period of four years:

	Insurance Written	Losses Incurred	Reserve Account
1939 . . . \$	994,392.00	\$ 2,500.00	\$ 34,553.70
(4 months)			
1940 . . .	12,335,944.00	3,498.74	60,098.24
1941 . . .	7,458,217.00	39,318.03	75,751.91
1942 . . .	12,045,532.00	36,227.35	88,704.88
1943 . . .	22,817,847.00	30,724.05	137,574.23

* * *

LIFE INSURANCE

Having established itself in the field of Fire Insurance, the Life Department of the Alberta Government Insurance Office was started in January, 1942.

Three main purposes were to be achieved. These were:

- (a) Lower costs to policy-holders.
- (b) Issue protection insurance plans.
- (c) Simplify policy wordings.

The growing popularity of the Insurance Office is reflected in the amount of Life Insurance issued for the first six months of 1944 as compared with previous year's issues.

1942	1943	1944 (6 months)
\$157,010.00	\$224,817.00	\$360,551.00

Comparison of Rates

Age at Issue	AVERAGE COMPANY RATE		GOVT. RATE	
	Ordinary Life	20 Payment Life	Ordinary Life	20 Payment Life
25.....	\$15.80	\$23.75	\$12.85	\$20.35
35.....	\$21.55	\$30.30	\$17.80	\$26.00
45.....	\$31.55	\$39.95	\$26.90	\$34.80
55.....	\$48.85	\$55.55	\$43.70	\$49.30

A considerable saving in premiums is rendered by the Insurance Office for All plans in force.

The success of the Life Department is assured. The indicative of success is good quality business, low administration, expense, steady increase in volume of business, minimum lapsation ratio, and prompt payment of premiums.

* * *

HAIL INSURANCE

Up to 1935 the old Alberta Hail Insurance Board operated at a loss. The rates were added to the taxes of the Municipalities which frequently were uncollectable until a debt of \$1,000,000 accumulated.

In 1937 under the Social Credit Government, a new board was set up with new policies. Hail Insurance was issued at cost and not for profit. They lowered the rates and fixed a minimum fee of \$5.00 per acre.

The operations of the new set-up have been exceedingly successful. All the liabilities have been paid in full and a reserve of \$750,000 has been accumulated.

Savings to the Motorists

The reductions made in license plates in 1937 by the Social Credit Government to cover cars prior to 1929, benefited 30,450 motorists.

In 1944, the reduced rates were brought up to include 1934 cars and this effected a further 13,710 motorists.

Since 1937, a rebate system was also instituted whereby 20% of the license fees were returned if the plates were brought back during the winter.

A refund by years up to December 31st, 1943, are as follows:

1937-38	\$14,700
1938-39	12,800
1939-40	10,700
1940-41	9,450
1941-42	8,339
1942-43	5,570
1943-44	2,578

The total reductions since 1937 is \$1,096,000 and the new reduction in 1944 means a further \$60,000 savings to the motor car owners.

• • •

Government Purchasing Agency

Started by the Social Credit Government in 1939 it's chief function is to save the taxpayer's money. This objective has been achieved by:

1. Preventing overlapping and overstocking.

2. Substantial savings effected on purchases of food, equipment and supplies for hospitals and government institutions, including jails.
 3. Making all tenders open to public inspection.
 4. Giving preference to Alberta manufacturers.
- The following table shows the savings over a three-year period.

Year	Purchases	Savings and Discounts
1941	\$3,443,580	\$283,654
1942	2,542,196	188,713
1943	2,206,370	119,947
Total Savings		\$592,314

* * *

Debt Legislation

Debt Legislation has been passed by the Alberta Legislature, to protect the homes and businesses of honest citizens. Some of this legislation was disallowed by the Federal Government and some has been *declared ultra vires*. Nevertheless the following results were achieved:

1. Homes and property were protected during the worst depression years.
2. Thousands of debts were equitably adjusted by agreement between debtor and creditor.
- 41,173 people received direct assistance to adjust their debts.
- 1,128 debtors were given free legal assistance in connection with foreclosure proceedings in court.
- 1,001 soldiers received help under The Soldiers' Relief Act.

In addition, thousands of people have had their debts adjusted by using the free services of The

Debtors' Assistance Board which was established in 1943 to advice and assist debtors with free legal advice.

Debt Protection for the Farmer

The Judicature Act, Amendment Act, 1944, provides protection to the farmer who cannot market his grain, due to lack of elevator space.

Debt Protection for the Soldier's Farm

The Wartime Moratorium Act, 1944, extends the debt protection given to farmers in the armed services, to farmers who have a wife, husband, son or daughter in the armed services.

* * *

Public Works Without Debt

In 1936 the policy of letting out road contracts to private individuals was terminated. Borrowing was discontinued and a "Pay-As-You-Go" policy was adopted.

To build highways modern machines were purchased and skilled men hired to run them. Highways were planned and built on the basis of a Province-wide programme.

Since 1936 public works and road building have been carried on entirely without borrowing.

Road Building Record—March, 1936 to March, 1943:

Graded	751 miles
Grade Reconditioned	374 miles
Gravelled	1,686 miles
Surfaced (asphalt)	715 miles
Seal Coat	385 miles

District Highways and Local Roads

The policy here is to render every assistance through grants to the Municipal and Improvement Districts of the Province. District engineers are employed to help in local engineering problems concerning roads.

Here is the progress since 1936-42:

Newly opened roads	2,247 miles.
Graded	4,049 miles
Gravelled	837 miles

Amount of Road Grants Paid to Municipal District:

1941-42—Fiscal Year	\$101,290.95
1942-43—Fiscal year	182,051.25
1943-44—Fiscal year	292,795.72
	<hr/>
	\$576,137.92

Amount of Road Grants Made Available to Municipal Districts to Date:

1944-45—Fiscal year	\$392,700.00
---------------------------	--------------

Seven Years of Bridge Building

Number Steel and Concrete Bridges	170
Number Timber Bridges	1,885
Total Bridges Built	2,055
Number of Bridges Repaired	1,509

Government of Alberta Treasury Branches

(Established—September, 1938)

Following the arbitrary disallowance of Alberta legislation to give the people of the Province enjoyment of their property rights by control over their credit resources, in accordance with the mandate of the electors the Social Credit government established a Province-wide system of Treasury Branches. The purpose of these was to provide the people with institutions under their own control through which they could carry out their business instead of being entirely dependent upon the existing financial monopoly.

The Treasury Branches provide the people with the means of progressively gaining control of their credit sources and, by competing with the financial institutions, breaking the monopoly control these have exercised, thereby making them relax credit restrictions and reduce interest rates.

Number of Branches and Sub-branches 48

Number of Agencies 199

Points served by the Treasury Branch System 242

The Treasury Branches provide the following services:

Deposits and Withdrawals (Savings and Current Accts.)

Loans (Approved security).

Transmission of Funds (Drafts and Money Orders).

Collection Services.

Travellers' Cheques.

Safety Deposit Boxes.

Cashing of Grain and Produce tickets.

Government Insurance and many other services.

Achievements of Treasury Branch System

Stimulated the development of Alberta industries.

Reduced the cost to the people of financial services.

Made the people independent of the existing financial monopoly.

Prepared the ground for economic reforms.

Brought many government services to rural areas.

A Successful Enterprise

In less than six years the Treasury Branches have grown to substantial proportions as the following figures will indicate:

Total Deposits \$ 11,925,767

Total Savings \$ 2,618,217

Total Turnover \$176,055,638

(For the year ending Dec. 31st, 1943.)

A Sound Investment

A criticism levelled against the Treasury Branches is that they have cost more than the revenue they have earned. This is a false view.

If the Treasury Branches "earned" big profits, it could be only at the expense of those using these services. Moreover, the public obtained very substantial benefits from the reduced interest rates, easier credit conditions, increased pay-rolls, the expansion of sales of Alberta-Made-Goods and other indirect advantages accruing from the Treasury Branches. The cost of operating this public service has been more than offset by the direct and indirect benefits received by taxpayers.

The Treasury Branches and Reconstruction

As the people conduct an increasing volume of their business through the Treasury Branches, the assets which will be built up will be used to finance:

Home building.

Expansion of Alberta industries.

Municipal requirements.

Trading activities.

Expansion of co-operation.

Live stock and other agricultural marketing projects.

Other sound and credit-worthy undertakings.

Though subsidized from general revenue during the initial period, the Treasury Branches are rapidly reaching the point where their earnings will balance their cost of operation. Meantime the services they are giving to the public are being steadily expanded.

Alberta's Natural Resources

Social Credit Government's Policy

1. No mineral bearing or timber lands are sold. They are *leased* only for development on terms which ensure the people of Alberta, as joint owners, of a fair return from successful ventures and protection from losses.
2. Genuine private enterprise and initiative is encouraged. Monopoly control is blocked.
3. Private ownership of agricultural land, with security of tenure and protection against monopoly financial control dispossessing farmers.
4. Land settlement policy, under which a settler :
 - (a) Possesses the land under lease.
 - (b) Pays no rent or taxes for the first three years.
 - (c) Pays one-eighth of crop thereafter. No payment if year's average yield is less than five bushels to the acre.
 - (d) Option to purchase outright at the original valuation at any time after ten years.

This ensures the settler becoming properly established before investing all his capital in the land or incurring a heavy mortgage debt, and thus obtains the full benefit of the development and the improvements carried out by him.

* * *

HANDICAPS INHERITED FROM THE PAST

1. Until September 30th, 1930, Alberta's natural resources were under Federal administration. During this time and the period immediately after a considerable portion of the Province's natural resources were alienated by being sold or granted

to private interests, also large areas had been leased to them for extensive periods on terms inequitable to the Province.

2. These resources include coal and oil bearing lands and forest lands.

* * *

OIL AND GAS

The Government of Alberta has adopted oil development policies that have resulted in:

Increased production.
Conservation.
Preventing monopoly control

Annual Production: (in barrels)

1936	1,320,442
1937	2,796,908
1938	6,742,039
1939	7,594,411
1940	8,495,207
1941	9,908,643
1942	10,143,270

The Petroleum and Natural Gas Conservation Board
—Established July, 1938.

Greatly reduced the wastage of gas.

* * *

Prior to 1941

Maximum Royalty from oil production on Crown
Lands 10%

After 1941

Scale of Royalty was increased to.....12½%
and placed on a graduated scale on future production with maximum now 15%.

A Mineral Tax is imposed on properties held by the C.P.R. and the H. B. Company and others and granted by the Federal Government prior to the time when the control of the natural resources was returned to the Province.

* * *

Prospecting and investment encouraged.

Successful enterprises permitted to obtain a fair return, with proportionate benefit accruing to the people.

System of leases precludes monopoly control in any field.

* * *

THE NATURAL GAS UTILITIES ACT, 1944

Provided:

The establishment of a Natural Gas Utilities Board.

The opening of the natural gas market to all producers.

That all pipelines and scrubbing plants become public carriers.

That the exclusive features of all existing contracts become null and void (with the exception of municipal franchises).

That gas wells, pipe lines, and scrubbing plants become public utilities.

For fixing the price of natural gas at all stages.

That the Lieutenant Governor in Council may take over the management of, or purchase, or expropriate, any gas business.

Monopoly control is effectively prevented.

Free Lands for Our War Veterans

Land has been reserved by the Alberta Government to establish:

War Veterans in Alberta.

Surveys have been made to determine the quality of the soil. This must be suitable for the purpose intended.

Further:

Land will be *Tax-Free* for 3 years . . . thereafter one-eighth of crop will pay *all* administration costs and taxes.

Title will be granted Free after 10 years.

Alberta recognizes her debt to her returning heroes.

* * *

Preparing for The Future

Alberta's Social Credit Government has taken definite steps to prepare for the problems of the Post-War period.

The Alberta Government was the only Provincial body in Canada to present to the Special Parliamentary Committee on Post-War Reconstruction, a definite plan for the financing of Post-War Reconstruction without increasing either the public debt or taxation. (Copies can be obtained from the Alberta Government Publicity Bureau, Edmonton.)

1. Post-War Reconstruction Committee established March, 1943, to co-ordinate submissions expressing the will of the people for the Post-War Period.

The Committee, a representative non-partisan body, submitted an Interim Report to the Legislature of Alberta on March 10, 1944.

The Interim Report contains:

- (a) A comprehensive survey of the whole field of reconstruction, with suggested projects and recommendations.
- (b) Recommendations as to ways and means of financing Post-War Reconstruction without creating intolerable debt and taxation burdens, namely:

That a competent national monetary authority, operating through the Bank of Canada, and responsible to the people through Parliament, should exercise full and effective control over the operation of the monetary system, including the issue and withdrawal of all currency and credit.

That the national monetary authority should be required to maintain a proper accounting of the national economy and to ensure that:

- (a) Adequate monetary facilities are available to finance all required production, having due regard to balance being maintained as between capital and consumer goods production.
- (b) At all times the people possess purchasing power equivalent to the total prices of goods for sale on the market.
- (c) Proper safeguards to preclude either inflationary or deflationary instability of prices or of other essential economic factors.

All money required for Federal Government services should be issued on the instructions of Parliament, without increasing the national debt, and federal taxation should be used primarily for the purpose of withdrawing surplus purchasing power, if any, to prevent inflation.

Adequate funds should be made available to Provincial Governments in a similar manner, and as drafts on the national credit, by means of equitable block grants to provide the highest standard of social services commensurate with the productive resources of the nation.

2. Provincial Welfare and Advisory Commission for Returned Veterans.

Established in 1944, for the purpose of advising the returned men of our armed forces, in any way which may help to improve their lot when they return to civilian life, and also to co-operate with the Federal authorities in all measures designed for the welfare of the returned men.

Alberta is the only Province which has set up such a commission.

3. A Post-War Reconstruction Fund established.

Though no fund can be established under the present economic system which would be adequate for the purpose, Alberta is nevertheless accumulating a fund which will be of great value in the transition period.

4. Alberta Power Commission Established, 1944.

Empowered to take the necessary steps towards the eventual development of Alberta's power resources and the electrification of the rural areas of the Province.

5. Provincial Housing Scheme.

Upwards of a million dollars Government sponsored fund for starting immediately on an expanding home building programme with the object of enabling Albertans to own their own homes.

ALBERTA'S BRIEF TO THE HOUSE OF COMMONS COMMITTEE

ON

Post-War Reconstruction

The Alberta Government's submission was the only one which put forward to the Turgeon Committee definite proposals for financing post-war reconstruction. The section dealing with Finance is reprinted below:

PART II—FINANCE

1. It is the main argument of this submission that the central problem in regard to an orderly and effective reconstruction of the national economy following the war is financial. There is little difficulty in anticipating what economically useful enterprises should be undertaken. In this respect the wishes of the overwhelming majority of the people can be stated specifically in terms of industrial and agricultural development, of rural electrification and irrigation, of housing and transportation, of conservation, reforestation and recreation projects and of social security and wage conditions. There is no intrinsic problem in regard to these matters. They merely constitute questions requiring the application of the necessary technical knowledge to the organization of available physical and human resources. The problem which confronts every industrialist, every farmer, every municipality, every provincial government and every department of the federal government is: "How will these projects be financed?"

2. In approaching this question it is necessary to bear in mind that the financial system is primarily a mechanism,—in fact it is the mechanism,—for facilitating the organization of economic activity. The volume

of money, the manner in which it is issued, the relation between purchasing power and prices automatically determine the volume and nature of production, the distribution of the products of industry, the conditions of trade and so forth. In short the manner in which the financial system is organized and operated determines the pattern of the economic structure. It is for this reason that the monetary aspects of post-war reconstruction are of pre-eminent importance.

3. It is conceded generally that it will be neither possible nor desirable to return to a pre-war economic system which resulted in mass unemployment, widespread poverty, general insecurity, and restricted production and trade. The impelling demands of war have resulted in economic expansion on a scale which has demonstrated the vast productive resources of this country that will be available for peace time development. It is a subject of common talk today that if, under the stress of war conditions, with three-quarters of a million of the cream of our manpower diverted to the fighting forces, Canadian production can be stepped up to twice its pre-war level in the space of a few years, then it should be possible to divert industrial effort to provide an even greater volume of production in the post-war period. Furthermore, the average Canadian, who has a very direct approach to such matters, is asking why it is that in war time it is possible to give away—in fact, to force,—our products on the enemy, yet in peace time it is not possible to provide our own people with the food, clothing and decent homes which could be provided by an equal productive effort?

4. The outstanding features of the chaotic economic conditions which marked the period between the two world wars, reaching crisis proportions during the depression, constituted a paradox which cannot be lightly dismissed. While on the one hand there existed vast productive resources, as the war has shown, yet on the other hand, there existed widespread poverty

and distress. While idle resources and unemployed manpower were outstanding features of conditions, yet the vast majority of people were insecure through lack of the goods which those resources and that unemployed manpower could have provided in abundance. While manufacturers were forced to restrict production for lack of markets, a vast potential market existed in the unsatisfied wants of Canadian consumers.

5. The greatest barrier between the people and the satisfaction of their requirements was the lack of purchasing power. If consumers had been able to go into the stores and buy the goods on sale, orders to wholesale merchants would have increased, wholesale merchants would have passed on this demand for goods to industry, industrial production would have been stepped up, employment would have expanded, an increased demand for primary products would have resulted. In short, the entire economy would have adjusted itself to meet the growing demands of consumers and the majority of the existing economic problems would have disappeared.

6. Thus on even a cursory examination of the evidence of facts the conclusion is inescapable that the main cause of the economic distress during these pre-war years was monetary in nature, and was specifically due to a chronic shortage of purchasing power in the hands of the people. Moreover, emphasis is given to this by the fact that the persistent obstacle to all efforts to deal with conditions always presented the same question: "But where is the money to come from?"

7. With the outbreak of war it became necessary not merely to expand production but to readjust the entire economy to meet the demand for entirely different kinds of production required for war purposes. It was a task far more formidable than that which was presented by the economic collapse of the depression. However, nothing was heard about the lack of money.

What was physically possible was made financially possible, the national money supply was expanded and as the economy developed to meet the demands of war, many of the pre-war problems disappeared. This has led many people to imagine that the same monetary system and monetary manipulations being used for war purposes will serve peace-time requirements after the war. Were this the case, then in peace time it would be necessary to retain a large standing army of consumers producing nothing to correspond with the economic position of the fighting forces to destroy a large part of the national production to correspond with the present destruction of war material; and to build up a rapidly pyramiding charge against future purchasing power in the form of public debt to correspond to our steeply mounting war debt.

8. Reference back to the operation of the economy prior to the war will show that in the various attempts made to overcome its defects similar action was taken, the outstanding example being the U.S.A., where producers were paid either not to produce or to destroy production, efforts were made to increase exports and to decrease imports, a large standing army of unemployed was maintained, incomes were distributed through vast public works schemes against which no consumer goods came on the market, while a huge and rapidly pyramiding debt structure continued to pile up claims against future purchasing power. All this was done in order to overcome the effects of a shortage of purchasing power. In war time economy there is no need to introduce these expedients; they are automatically forced upon the country. The steady expansion of industrial development, the increasing production of goods for destruction in the conduct of the war in relation to the goods produced for the consumer market, the decrease in available man power for production and all the other features of war conditions combine to obscure and overcome the shortage of purchasing power which the

system generates. However, any attempt to use the same financial mechanism for readjusting the economy to peace-time conditions will immediately reveal its defects in an intensified form with disastrous consequences.

9. In the following synopsis of the adjustments in our monetary system which we consider are essential to meet the requirements of our national economy after the war, we have confined ourselves to fundamental principles:

(1) National Control of Monetary Policy:

Control of monetary policy automatically carries with it control over the entire economic life of the country. It is a sovereign power which, in a democracy, should be vested in parliament acting on behalf of the people.

Therefore, a national finance commission should be established, to be responsible to parliament through the Minister of Finance, (a) for the issue and withdrawal of all money (both currency and credit) in accordance with the nation's requirements and (b) for the administration of the monetary system in response to the will of the people.

Note: The Bank of Canada should be the means through which the national finance commission would operate.

(2) Banks and Banking:

It is manifestly undemocratic that the sovereign power of creating, issuing and withdrawing money or credit, thereby controlling economic policy, should be exercised by private institutions. This power vested in the chartered banks at the present time should be discontinued and the chartered banks should be elevated to the position of servants of the public under the effective control of the government.

Moreover it is an obvious absurdity that a democratic government vested with sovereign authority over the

monetary system should be obliged to put the nation in pawn to the banks in order to borrow money for national purposes. In point of fact the position should be reversed.

Therefore, chartered banks should cease to create, issue and withdraw financial credit except as agents for the national finance commission, and they should be required to hold against all deposits a corresponding amount of cash, or, in lieu thereof, national credit certificates issued by the Bank of Canada.

(3) *Government Finance:*

As the custodians of the people's sovereignty and as the issuing authority for all money, parliament should no longer be entirely dependent upon taxation and borrowing for its revenue requirements.

Therefore, all money required for government expenditure, whether for purposes of financing reconstruction, projects or for normal public services should be issued on the instruction of parliament, by the Bank of Canada without debt to the nation. Taxation should be used primarily for the purpose of withdrawing surplus purchasing power as hereinafter provided.

(4) *Safeguards Against Inflation and Deflation:*

It is a basic principle of any scientific monetary system that money should be created and issued as goods are produced, and it should be withdrawn and cancelled as goods are consumed. Furthermore this should be done in such a manner that at all times the public should have purchasing power equal to the collective prices of goods on the market, wanted by the public.

If the total purchasing power is more than the total prices of goods for sale a condition of "inflation" will at once become evident and must be rectified forthwith. If the total purchasing power is less than the total prices of goods for sale then a condition of "deflation" will immediately reveal itself and more purchas-

ing power must be released to enable producers to obtain fair prices and overtake their production costs.

The principle of maintaining a balance between consumer purchasing power and the prices of goods for sale to consumers is fundamental to any sound monetary system, either in peace or in war.

Therefore, the national finance commission should be required to establish a proper system of accounting and, from time to time, ascertain the total prices of goods available for purchase by consumers and the total purchasing power of the public. Any surplus purchasing power should be withdrawn by means of an equitable system of taxation and any deficiency of purchasing power should be corrected by reduced taxation or by an increased issue of credit in the most equitable manner as authorized by parliament, *e.g.*, price subsidies, family allowances, health services, non-contributory security grants, etc.

(5) *Agriculture, Industry and Trade:*

Agriculture, industry and trade should be able to expand freely to provide the goods and services wanted by the public. Hence the financial requirements of agriculture, industry and trade should govern monetary policy and not *vice versa*.

Therefore, adequate credit on equitable terms should be made available to agriculture, industry and trade to finance all wanted production.

(6) *Provincial Finances:*

Parliament, through the national finance commission, on an equitable basis and without infringing upon provincial autonomy, should issue to each of the provinces the money to enable them:

- (a) To finance post-war reconstruction projects coming within provincial jurisdiction;
- (b) To establish and maintain the high standard of social services to which the Canadian people are entitled.

In conclusion we respectfully urge that this committee give careful and serious consideration to these financial aspects of the problem of post-war reconstruction.

It is our firm conviction that the fundamental principles above referred to must be recognized and applied or the dominion and the provincial governments will find it financially impossible to implement many of the necessary post-war proposals now being prepared.

The reform of our monetary system along these sound and scientific lines not only will remove the present financial restrictions upon the implementation of these many desirable and physically possible post-war projects but also will enable the people of Canada to be assured of post-war economic security and a standard of living limited only by their aggregate productive capacity and the abundance of their material resources.

All of which is respectfully submitted.

(Signed) HON. ERNEST C. MANNING,
PREMIER.

University of Alberta Library



0 1620 0602 6700

A22532

**AN OFFICIAL
GOVERNMENT
PUBLICATION**

**Issued By The Alberta
Publicity & Travel
Bureau.**

Printed by A. Shnitka, King's Printer, Edmonton.